

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 9/27/2016	(3) CONTACT/PHONE Margaret Mayfield, Associate Capital Projects Coordinator (805) 781-1523	
(4) SUBJECT Submittal of bid opening report rejecting all bids for the Meridian Fire Station Apparatus Bay Expansion project, located at 4050 Branch Road, Paso Robles. District 1.			
(5) RECOMMENDED ACTION It is recommended that the Board: <div style="margin-left: 20px;"> 1. Reject all public construction bids received on Thursday, June 23, 2016 for the Meridian Fire Station Apparatus Bay Expansion contract (no. 320062); and 2. Instruct the Clerk to release all bid bonds held for the Meridian Fire Station Apparatus Bay Expansion. </div>			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 7/8/14; #18, 6/2/15; #4, <div style="text-align: right;">10/27/15; #7, 5/24/16; #1</div>	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) District 1			

Reference: 16SEP27-C-2

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Margaret Mayfield, Associate Capital Projects Coordinator

VIA: Jeff Werst, Design Division Manager

DATE: 9/27/2016

SUBJECT: Submittal of bid opening report rejecting all bids for the Meridian Fire Station Apparatus Bay Expansion project, located at 4050 Branch Road, Paso Robles. District 1.

RECOMMENDATION

It is recommended that the Board:

1. Reject all public construction bids received on Thursday, June 23, 2016 for the Meridian Fire Station Apparatus Bay Expansion contract (no. 320062); and
2. Instruct the Clerk to release all bid bonds held for the Meridian Fire Station Apparatus Bay Expansion.

DISCUSSION

The proposed rejection of bids represents a second cycle of advertisement for the project. Originally, the Board authorized public bidding of the Meridian Fire Station Apparatus Bay Expansion project on June 2, 2015. The estimated cost for construction at project inception was \$520,000. In accordance with direction from your Board, bids for the subject contract were opened on Thursday, July 9, 2015. One bid was received from Newton Construction, Inc. for \$952,000 which exceeded the construction cost estimate by \$363,788, 62% above the Architect's estimate. On October 27, 2015 the Board authorized the rejection of all bids received for the Meridian Fire Station Apparatus Bay Expansion project.

Staff met with the design consultant and CALFire to develop a scaled back scope of work for the expansion project to reduce costs and bring the project within budget. A revised set of construction documents for the project were prepared by the Architect of Record, Frasier-Seiple Architects, and on May 24, 2016, the Board approved the revised project plans and specifications and authorized the public re-bidding of the Meridian Fire Station Apparatus Bay Expansion project.

The final cost estimate for the revised project prepared by the Architect of Record was \$496,849. In accordance with direction from your Board, bids were opened on Thursday, June 23, 2016. Three construction bids were received, ranging from \$832,323 to \$853,000. The lowest bid received exceeded the estimated construction cost by \$335,474, 67% above the engineer's estimated construction cost.

Three bids were received. They are as follows:

Estimated Construction Cost	\$496,849.00
Quincon	\$832,323.00
Carroll Building Company	840,000.00
Newton Construction and Management	853,000.00

Recommendation to Reject Bid

Staff met with CALFire and the design architect to review the outcome of the bid and determine next steps. CALFire reviewed their options and decided that supplementing the budget with additional Public Facility Fee (PFF) program funds in the amount needed to award the contract would not be the best use of their available resources, and that they would consider other options to address operational needs at the Meridian Fire Station. Alternatives for redirecting of the PFF funds for use on other projects will be considered as part of the PFF program update in 2017.

OTHER AGENCY INVOLVEMENT/IMPACT

The project is guided by a steering committee composed of members from County Fire, County Administration and Public Works.

FINANCIAL CONSIDERATIONS

The total project was funded in Fiscal Year 2013-14 in Fund Center 230 - Capital Projects for \$870,500, WBS 320062. The total budget included the estimated costs for project management, professional services, design, construction, construction management, and contingency. Funding is established under the Public Facility Fee-Fire program.

Please see Exhibit "A" for an estimated cost breakdown of the project.

RESULTS

Rejecting all bids will enable staff and County Fire to re-examine the best use of available resources, reflective of the County's commitment to financial accountability.

ATTACHMENTS

1. Vicinity Map
2. Exhibit A – Project Cost Estimates

File: Contract No. 320062

Reference: 16SEP27-C-2

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